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ABSTRACT

The educational attainment of the adult population is examined, along with the fields in which adults received degrees, and their earnings in those fields. Figures from the Survey of Income and Program Participation are compared for 1984 and 1987. More adults (78%) had high school diplomas in 1987, and about 23% had earned a postsecondary degree. Earnings varied with educational attainment and increased as one moved up the degree ladder. Mean monthly earnings for those without a high school diploma were $452, while those with professional degrees had mean monthly earnings of $4,003. Those with more education saw a much greater increase in earnings in the period from 1984 to 1987. Degree holders were most likely to have degrees in business and education. Earnings differed among demographic groups, and the earnings of those with bachelor's degrees differed among degree fields. Financially lucrative areas included economics, engineering, mathematics or statistics, and business and management. Two graphs are provided. (SLD)

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# Statistical Brief

# Does Education Pay Off?

Americans today invest more time than ever and go to considerable expense in acquiring an education. Is the return worth the investment? Yes, say recent statistics from the 1987 Survey of Income and Program Participation (SIPP). In general, earnings are higher for more educated people.

This brief examines the educational attainment of the adult population, the fields they received their degree in, and their earnings. The 1987 data are compared with similar data collected from SIPP in spring 1984.

**Most adults are high school graduates and many have earned college degrees.**

More adults had high school diplomas in 1987 than in 1984: 78 percent of adults were high school graduates in 1987, up from 74 percent in 1984. About 23 percent of adults had obtained a degree beyond high school in 1987, up from 21 percent in 1984. Another 18 percent had attended college without receiving a degree.

Those who had earned a post-secondary degree were most likely to hold a bachelor's: 12 percent of adults had a bachelor's degree as their highest degree earned. See chart.

**Earnings vary sharply with educational attainment.**

As one moves up the degree ladder, earnings increase:

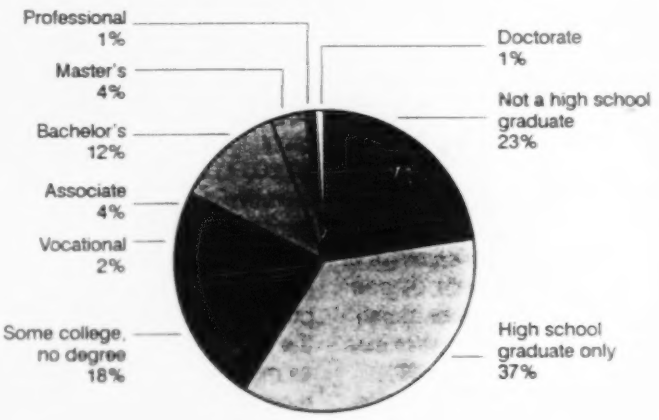
- Those without a high school diploma had mean monthly earnings of $452.
- High school graduates (no college) earned $921.
- Both vocational degree holders and adults with some college earned $1,088.
- Those with an associate as their highest degree earned $1,458.
- Bachelor's holders earned $1,829.
- Master's holders earned $2,378.
- Doctorate holders earned $3,637.
- Holders of professional degrees earned the most, $4,003. This is not significantly different from doctorate earnings.

**Increases also reflect attainment.**

Between 1984 and 1987, those with vocational degrees and those who attended college without receiving a degree saw no real change in their earnings. The earnings of those who had only a high school degree (no college) and of those who hadn't graduated from high school also remained unchanged.

**Nearly 1 in 4 Have Earned a Post-Secondary Degree**

Highest degree earned, adults 18 and over: spring 1987




Note: percentages do not add to 100 due to rounding.

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In contrast, those with more education saw their earnings increase significantly between 1984 and 1987. Mean adjusted monthly earnings increased an average of $200 for holders of associate, bachelor's, and master's degrees. There was no significant change in earnings for holders of professional and doctorate degrees.

**Business and education were the most common fields.**

Degree holders were most likely to hold them in business/management or education. One in 3 highest earned degrees were in one of these fields.

Men and women usually held degrees in different fields. Four in 10 men held their highest earned degrees in business/management and engineering. Meanwhile, 6 in 10 women held their highest degree in education; nursing, pharmacy, or technical health; business/management; or liberal arts/humanities.

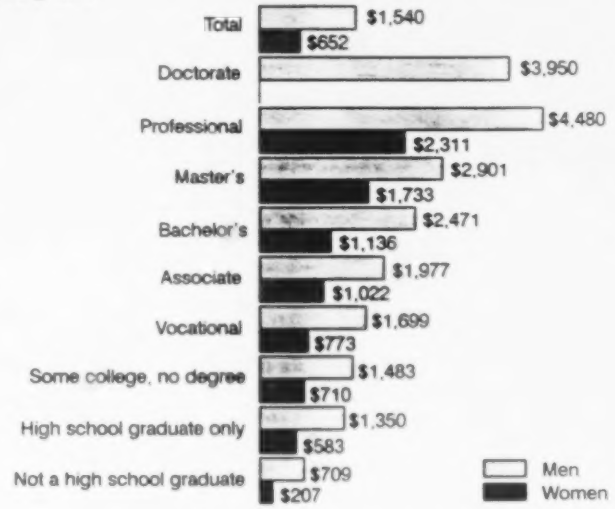
Fields popular with one sex were not the choice of the other. For example, 15 percent of men held their highest degree in engineering; the percentage for women was 1 percent. By contrast, 3 times as many women as men held their highest degrees in education (22 percent versus 7 percent).

**Earnings differ between demographic groups.**

Earnings differences reflect differences in majors and consequent occupational choices as well as differences in work experience and other factors. The earnings of women with a bachelor's degree averaged only $1,136 per month in 1987, less than half that of men with the same degree ($2,471). So too, Blacks with a bachelor's as their highest degree earned an average of $1,461 per month; the figure for Whites was $1,861.

**Men Earn More Than Women at All Degree Levels**

Mean monthly earnings for adults 18 and over, by degree level: spring 1987




Note: There were not enough women with doctorate degrees in the survey to list their mean monthly earnings.

Earnings differ based on age as well. People in the middle age groups (35 to 44 and 45 to 54) earned more than those younger or older.

**Bachelor's earnings differ widely between degree fields.**

Professional and doctorate degrees generally mean the highest earnings, but among those who have just a bachelor's degree, earnings vary widely based on major. Those with a bachelor's degree in economics had mean monthly earnings of close to $2,800 in 1987. Other financially lucrative degree fields (those in the $2,300-2,800 per month range) included engineering; mathematics or statistics; and business/management. Some of the degrees that won't earn you as much (the $1,100 to $1,400 range) are: education; liberal arts or humanities; nursing, pharmacy, or technical health; and English or journalism.

**For information : See-**

*What's It Worth? Educational Background and Economic Status: Spring 1987,* Current Population Reports, Series P-70, No. 21. For sale by U.S. Government Printing Office. Stock No. 803-044-00009-1, $2.

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